## C. DUKES SCOTT EXECUTIVE DIRECTOR

1441 Main Street, Suite 300 Columbia, SC 29201



FLORENCE P. BELSER GENERAL COUNSEL

December 14, 2006

The Honorable Charles L. A. Terreni Chief Clerk/Administrator South Carolina Public Service Commission Post Office Box 11649 Columbia, South Carolina 29211

Re: Request of Commission Staff for Investigation by the Office of Regulatory Staff of K&K Investments, Inc. d/b/a Apartment Movers, Etc. and America's Best Moving System ("K&K"). **Docket No. 2005-22-T**Application of K&K Investments, Inc. d/b/a Apartment Movers, Etc. for a Rate Increase. **Docket No. 2004-240-T** 

Dear Mr. Terreni:

Pursuant to Commission Order No. 2006-390, the Office of Regulatory Staff ("ORS") has monitored K&K's conduct for a six-month probationary period and hereby respectfully submits this follow-up report to the Commission as to K&K's continued compliance with the law.

On September 18, 2006, ORS transportation staff conducted a compliance audit of K&K for the first three months of the probationary period. The purpose of this audit was to determine whether any deficiencies existed. A copy of this compliance audit is attached for the Commission's review. K&K received a 100% compliance audit score. ORS transportation staff advised K&K to file the current gross receipts form as soon as possible. K&K complied with this request by filing the current gross receipts form on a timely basis.

On December 7, 2006, ORS transportation staff conducted the six-month compliance audit. Transportation inspector Patty Vowell reported that K&K fully cooperated with the audit. K&K has not entered into any franchise agreements and has not allowed any motor carrier applicants to operate under K&K's certificate. K&K has timely filed reports for gross receipts and annual reports. An approved tariff is on file with ORS and rates and charges have correctly conformed to the tariff on file. The Bills of Lading are in compliance with Commission rules and regulations. 40 Bills of Lading

were reviewed and were found to be in 100% compliance. No vehicle lease agreements were submitted for review by ORS staff.

Please accept the original of this letter and enclosures for filing and return the copy enclosed to me in the envelope provided.

If you need additional information, please contact me at 737-0863.

Sincerely,

Wendy B. Cartledge

Wendy B. Cartledge

## Enclosures

Cc:

Florence P. Belser, Esquire Nanette S. Edwards, Esquire Scott Elliott, Esquire Katie C. Morgan George L. Parker

## **AUDIT REPORT FORM**

| DATE AUDIT PERFORMED:  | 9/18/2006 DATE OF R   | EPORT:                        | 9/18/2006       | COUNTY: Greenville     |
|--|---|-------------------------------|-----------------|------------------------|
| AUDIT TYPE:  | COMPLAINT   |                               | СОМ             | PLIANCE *******        |
| PO Box 1   | estments Inc. dba Apartme<br>065 / 105 E Miller Road<br>e, SC 29607   | ent Movers                    | etc and America | 's Best Moving Systems |
| IF COMPLAINT AUDIT, STATE I  |   | T:                            |                 |                        |
|  |   |                               |                 |                        |
| LIST INFRACTIONS DISCOVER  | ED ON AUDIT IN NUMER  | RICAL ORI                     | DER. INCLUDE E  | OL #.                  |
| Audited Jan. 2006 - April 2006   |   |                               |                 |                        |
|  |   |                               |                 |                        |
| LIST BELOW ANY RECOMMEN  | DATIONS COMMUNICA   | TED TO TH                     | IE CARRIER.     |                        |
| Advised carrier that he needed to  | file gross receipts asan  |                               |                 |                        |
|  |   |                               |                 |                        |
| CITATION NUMBER:   | VIOLATION:  | ,                             |                 |                        |
| AUDIT CHECK LIST:  |   |                               |                 |                        |
| * Carrier has approved tariff on * Correct name(as it appears on * PSC/ORS Certificate # on BOL * BOL`s numbered consecutive * Signed Valuation clause on BO * Correct rates and charges acc * Correct Fuel surcharge (if app * Shipment conducted within ca * Carrier has current Annual Re * Carrier has filed current Gross | certificate) on BOL ly OL ording to the tariff on fil roved in tariff) has been arrier`s scope of authorit port on file (verify prior t | charged f<br>ty<br>to perform | ing audit)      | ipment.                |
| AUDIT SCORE:   |   |                               |                 |                        |
| # BOL REVIEWED<br># BOL OUT OF COMPLIANCE<br>% IN COMPLIANCE   | 30<br>0<br>100%   |                               |                 |                        |

## **AUDIT REPORT FORM**

| DATE AUDIT PERFORMED: 12/7/2006 DATE OF REPOR  | T: 12/7/2006 COUNTY: Greenville   |  |  |  |
|--|---|--|--|--|
| AUDIT TYPE: COMPLAINT  | COMPLIANCE *******  |  |  |  |
| CARRIER NAME:  K & K Investments Inc. dba Apartment Model PO Box 1065 / 105 E Miller Road Greenville, SC 29607  IF COMPLAINT AUDIT, STATE NATURE OF COMPLAINT:   | overs etc and America's Best Moving Systems   |  |  |  |
| LIST INFRACTIONS DISCOVERED ON AUDIT IN NUMERICAL  | . ORDER. INCLUDE BOL #.   |  |  |  |
| Audited June, August, October 2006   |   |  |  |  |
| LIST BELOW ANY RECOMMENDATIONS COMMUNICATED TO THE CARRIER.  |   |  |  |  |
| CITATION NUMBER: VIOLATION:  AUDIT CHECK LIST:   |   |  |  |  |
| * Carrier has approved tariff on file with ORS  * Correct name(as it appears on certificate) on BOL  * PSC/ORS Certificate # on BOL  * BOL's numbered consecutively  * Signed Valuation clause on BOL  * Correct rates and charges according to the tariff on file  * Correct Fuel surcharge (if approved in tariff) has been charge  * Shipment conducted within carrier's scope of authority  * Carrier has current Annual Report on file (verify prior to per  * Carrier has filed current Gross Receipts form (verify prior to | forming audit)  |  |  |  |
| # BOL REVIEWED 40 # BOL OUT OF COMPLIANCE 0 % IN COMPLIANCE 100%   | Comments:  No other franchises have been established according to information received during audit.  The only one's still in business is Trega and K & K |  |  |  |